

## COVINGTON

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February 10, 2016

By ECF and Email

The Honorable Shira A. Scheindlin  
United States District Judge  
United States District Court  
Southern District of New York  
500 Pearl Street  
New York, NY 10007-1312

*SEC v. Wyly et al.*, No. 1:10-cv-05760 (SAS)

Dear Judge Scheindlin:

On behalf of Relief Defendants John Graham, David Matthews, Donald R. Miller, Jr., Andrew Wyly, Charles J. Wyly III, Christiana Wyly, and Evan Wyly (the “Seven Relief Defendants”), we request an indefinite postponement of the filing of the Seven Relief Defendants’ brief currently due on February 19 and the evidentiary hearing currently scheduled for February 22, concerning the asset freeze issues on remand from the Second Circuit.

The Seven Relief Defendants believe that the forthcoming decision of the Honorable Barbara J. Houser on the recently concluded tax trial in the U.S. Bankruptcy Court for the Northern District of Texas may facilitate a global settlement of the Wyly matters, including this case. While awaiting Judge Houser’s decision, the Seven Relief Defendants, if possible, wish to avoid incurring legal expenses challenging an asset freeze that might be lifted anyway under a global settlement.

On the other hand, the Seven Relief Defendants want to preserve their rights under the Second Circuit’s decision. If Judge Houser’s decision does not lead to a settlement of this action, we seek the ability to reactivate the remand proceedings upon request, on a schedule to be set by Your Honor. In the meantime, the freeze order would remain in effect until further order of the Court.

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The SEC has advised us that it does not object to our requested postponement under the terms set forth above, which include all remanded defendants agreeing that they are still subject to the asset freeze order.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "D.L. Kornblau", with a stylized flourish at the end.

David L. Kornblau

cc: Counsel of Record (by email)